PROCLAMATION

RY THE

Covernor of the State of Texas

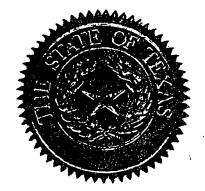
TO ALL TO WHOM THESE PRESENTS SHALL COME.

Pursuant to Article IV, Section 14 of the Texas Constitution, I, William P. Clements, Jr., Governor of Texas, do hereby veto House Bill 1616 because of the following objections:

House Bill 1616 would require individual and group health insurance policies and health maintenance organizations provide dependent coverage for grandchildren living with a policyholder whose parent is a covered dependent minor also residing with the policyholder. This coverage can currently be purchased but is not required. The proposed requirement would be exceedingly difficult to administer and would be subject to great abuse. As an example of the increased cost of insurance coverage that would be caused by the bill, the state would be required to pay an additional \$950,000 for coverage of state employees. Similar increases in the cost of insurance in the private sector are attributable to the bill. House Bill 1616 would have the ultimate effect of restricting the availability of private health insurance coverage by forcing premiums to an artificially high level to pay for social policies.

The Secretary of State shall take notice of this action and notify the Legislature.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the seal of the State to be affixed hereto at Austin, this 19th day of June, 1987.



William P. Clements Jr. Governor of Texas

> Filed in the Office of Secretary of State

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Jack M. Rains Secretary of State